(2)

FILED

JUL 21 1995

CLERK

NO. 94-2086

IN THE
SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1994

SKRMETTA MACHINERY CORPORATION,
Petitioner,

v.

LAITRAM MACHINERY, INC.,
Respondent.

ON PETITION FOR WRIT OF CERTIORARI TO THE COURT OF APPEALS FOR THE FEDERAL CIRCUIT

# BRIEF IN OPPOSITION TO PETITION FOR WRIT OF CERTIORARI


Timothy J. Malloy
*(Principal Counsel of Record)*
Gregory J. Vogler
Sharon A. Hwang
McANDREWS, HELD & MALLOY, LTD.
Citicorp Center
500 West Madison Street
Suite 3400
Chicago, Illinois 60661
(312) 707-8889

Barry LaCour
THE LAITRAM CORPORATION
220 Laitram Lane
Harahan, Louisiana 70123
(504) 733-6000

Attorneys for Respondent
LAITRAM MACHINERY, INC.


BEST AVAILABLE COPY

80 pp

## QUESTION PRESENTED

1. Whether the Federal Circuit properly exercised its mandamus authority to preserve the limits of its exclusive appellate jurisdiction over patent cases and to prevent a district court from expanding the scope of subject matter jurisdiction over patent declaratory judgment actions to include matters unsupported by an actual controversy.

## PARTIES

Respondent, Laitram Machinery, Inc., is a wholly owned subsidiary of The Laitram Corporation, a Louisiana corporation.

Petitioner, Skrmetta Machinery Corporation, is a Louisiana corporation.

## TABLE OF CONTENTS

QUESTION PRESENTED . . . . . i
PARTIES . . . . . ii
TABLE OF AUTHORITIES . . . . . iv
CONCISE STATEMENT OF THE CASE . . . . . 1
SUMMARY OF THE ARGUMENT . . . . . 7
ARGUMENT . . . . . 9

I. No Conflict was Created by the Federal Circuit's Use of its Mandamus Authority to Prevent the District Court from Rendering an Advisory Opinion as to Two Patents . . . . . 10

A. The Mandamus Standard Applied in the *National Right to Work* Case is Consistent with the Mandamus Standard Applied by the Federal Circuit . . . . . 11

B. The District Court Failed to Make the Requisite Factual Findings to Support Jurisdiction . . . . . 13

II. No Conflict Exists Between the Federal Circuit's "Clear Abuse of Discretion" Standard and the Fourth Circuit's "Usurpation of Judicial Power" Standard . . . . . 15

CONCLUSION . . . . . 17

## TABLE OF AUTHORITIES

### Cases

*Allied Chemical Corp. v. Daiflon, Inc.*,
449 U.S. 33, 101 S.Ct. 188 (1980) . . . . . 16

*Arrowhead Indus. Water, Inc. v. Ecolochem, Inc.*,
846 F.2d 731 (Fed. Cir. 1988) . . . . . 12

*BP Chemicals Ltd. v. Union Carbide Corp.*,
4 F.3d 975 (Fed. Cir. 1993) . . . . . 12, 14

*In re Catawba Indian Tribe*,
973 F.2d 1133 (4th Cir. 1992) . . . . . 17

*Jervis B. Webb Co. v. Southern Systems, Inc.*,
742 F.2d 1388 (Fed. Cir. 1984) . . . . . 12

*LaBuy v. Howes Leather Co.*,
352 U.S. 249, 77 S.Ct. 309 (1957) . . . . . 9

*Mallard v. U.S. Dist. Court for the Southern Dist. of Iowa*,
490 U.S. 296, 109 S.Ct. 1814 (1989) . . . . . 17

*National Right to Work Legal Defense v. Richey*,
510 F.2d 1239 (D.C. Cir. 1975),
*cert. denied*, 95 S.Ct. 2631 (1975) . . 7, 8, 11, 12

*In re Ralston Purina Co.*,
726 F.2d 1002 (4th Cir. 1984) . . . . . 16, 17

*In re Regents of University of Cal.*,
964 F.2d 1128 (Fed. Cir. 1992) . . . . . 17

**Rules, Statutes and Other Authorities**

28 U.S.C. §1295(a)( . . . . . 7, 10

28 U.S.C. §1651 . . . . . 9

28 U.S.C. §2201(a) . . . . . 1, 3

35 U.S.C. §252 . . . . . 4

Labor-Management Reporting and Disclosure
Act of 1959, Section 101(a)(4) . . . . . 12

Labor-Management Reporting and Disclosure
Act of 1959, Section 102 . . . . . 7, 8, 12

Supreme Court Rule 10.1(a) . . . . . 10

U.S. Constitution, Article III . . . . . 1

## CONCISE STATEMENT OF THE CASE

Petitioner, Skrmetta Machinery Corp. ("Skrmetta"), seeks to expand the scope of subject matter jurisdiction over patent declaratory judgment actions beyond the limitations provided for under the Declaratory Judgment Act (28 U.S.C. §2201(a)) and Article III of the U.S. Constitution. The result of such an expansion would be to invite competitors to challenge any or all of the one million active patents in the United States, regardless of the existence of an actual controversy as to the challenged patent. The Federal Circuit properly issued a writ of mandamus to prevent such a corruption of the patent law.

Respondent, Laitram Machinery, Inc. ("Laitram"), is a Louisiana corporation engaging in the manufacture, sale, and lease of equipment used to process seafood and other food products. Laitram's founder, James M. Lapeyre, invented the revolutionary roller peeling principle still used today in state-of-the-art shrimp peelers. Laitram is the owner of several patents relating to different aspects of food processing, including: (1) U.S. Patent No. 4,862,794 ("the '794 patent") entitled "Apparatus for Controlling Precooking and Machine Peeling Shrimp," filed on March 3, 1989, and issued on September 5, 1989, reissued as Re. 34,646 on June 28, 1994[1]; (2) U.S. Patent No. 5,120,265 ("the '265 patent")

---

[1] The '794 patent claims at issue are unchanged in the reissue patent. For purposes of clarity, the '794 patent and the reissue patent will be collectively referred to as "the '794 patent."

entitled "Apparatus for and Methods for Improving the Yield of Peeled Shrimp Meat Obtained with Roller Type Shrimp Machinery," filed on May 30, 1991, and issued on June 9, 1992; and (3) U.S. Patent No. 5,184,538 ("the '538 patent") entitled "High Efficiency Steam Cooker," filed on May 26, 1992, and issued on February 9, 1993.

Skrmetta is also a Louisiana corporation engaging in the manufacture and sale of shrimp processing equipment. In late 1992, Laitram filed a lawsuit in the United States District Court for the Eastern District of Louisiana against co-defendants Seafood Equipment Development Corp. ("SEDCO"), Carnitech A/S ("Carnitech"), and Skrmetta, all competitors of Laitram, for violating the federal antitrust laws by conspiring to injure Laitram's business and goodwill. Laitram's complaint, amended on December 15, 1992, made no allegations at all about the '794, '265 and '538 patents. Laitram has since settled with SEDCO and Carnitech, two of the three co-defendants in that suit.

On February 18, 1994, Skrmetta filed a thirty-four page pleading including multi-count counterclaims against Laitram for antitrust violations and unfair competition. Skrmetta also requested declaratory judgments of invalidity, unenforceability, and noninfringement of Laitram's '794, '265, and '538 patents. Prior to the filing of Skrmetta's declaratory judgment claims, the parties had never even discussed infringement or enforcement of either the '265 patent or the '538 patent in any way. To this very day, Laitram has never mentioned these patents to any Skrmetta customers or accused any Skrmetta product of infringing these patents.

On April 5, 1994, Laitram moved to dismiss all three of Skrmetta's patent declaratory judgment claims for lack of a case or controversy to support subject matter jurisdiction under the Declaratory Judgment Act, 28 U.S.C. §2201(a). On April 28, 1994, the district court denied Laitram's Motion to Dismiss without prejudice, stating only that:

> Skrmetta's counterclaims were filed only recently and discovery has not occurred on the issues. Given the lack of discovery and Skrmetta's plausible allegations of the existence of material facts, the court will deny LMI's motion. (A11.)

On September 22, 1994, the district court ordered that "[a]mendments to pleadings, third-party actions, cross claims, and counterclaims shall be filed no later than 30 days from [September 22, 1994] the date of the Preliminary Conference." (A12.) Within the time frame set by the Court, Laitram filed a motion for summary judgment on October 18, 1994, again seeking dismissal of all three patent declaratory judgment counterclaims for lack of case or controversy to support subject matter jurisdiction. In the alternative, Laitram requested (1) an order permitting Laitram to inspect Skrmetta's equipment to allow Laitram to determine whether any Skrmetta machines infringe any Laitram patents; and (2) an extension of time of up to 15 days after the inspection to amend its pleadings to assert patent infringement against Skrmetta, if appropriate.

At a hearing on November 16, 1994, the district

court denied Laitram's Motion for Summary Judgment, finding that an actual case or controversy existed with respect to Laitram's '794 patent. (A34-35.) Without making any separate factual findings, the court then ruled that the '265 patent and the '538 patents--

> "are so intertwined and related that it certainly would not indicate that they should not be involved here and they all stem from 794 [sic]. I think that section 252 of Title 35 would indicate that this would probably be part of that continuation or the re-issuance that would be involved with respect to a regional patent and so for these reasons the Court will deny that motion." (A36.)

In other words, the district court held that a case or controversy existed for the '265 and '538 patents because they are somehow "intertwined and related" with respect to a "regional patent" under 35 U.S.C. §252. The only explanation of the alleged relationship between the '794 patent and the '265 and '538 patents was the court's statement that the '265 and '538 patents "stem from 794" and that they are "probably part of that continuation or the re-issuance." (*Id.*)

It is incontrovertible, however, that the patents are in fact not "related" to each other, and that there are no "regional patents" under U.S. patent law. The '265 and '538 patents are neither related to nor continuations, divisionals, or continuations-in-part of the '794 patent. They were filed on different dates than the '794 patent.

They contain different drawings, disclosures and claims than the '794 patent. In any event, the '265 and '538 patents had never been the subject of any accusation or threat of infringement against Skrmetta, its customers, or any of its products or services.

At the same oral hearing, the court also denied Laitram's alternative motion to allow an inspection and the filing of infringement counterclaims if deemed justified based on the inspection. (A38.) The court stated that granting Laitram a *fifteen day extension* to inspect machines and to file an infringement claim, if appropriate, "would be indicative of undue delay." (*Id.*) However, had Laitram asserted a claim of infringement of the '794 patent earlier, it would have conceded subject matter jurisdiction and would have been forced to waive its defense of lack of subject matter jurisdiction.

The court contemporaneously denied Laitram's oral request that the issues be certified for appeal. (*Id.*) A week later, on November 23, 1994, Laitram requested reconsideration of certain aspects of the court's November 16, 1994, oral ruling. In particular, Laitram requested reconsideration of the court's denial of summary judgment of lack of subject matter jurisdiction over claims involving the '265 patent and the '538 patent. Laitram's request for reconsideration (after having conducted a litigation-prompted infringement analysis) for leave to file a counterclaim against Skrmetta asserting infringement of the '794 patent was denied without explanation. (A53.) The district court's ruling left an odd state of affairs: Skrmetta was allowed to assert defenses of invalidity, unenforceability, and noninfringement of the '794 patent,

but Laitram was barred from asserting its claim of patent infringement on the same '794 patent.

Thereafter, Laitram filed a Petition for Writ of Mandamus in the Court of Appeals for the Federal Circuit ("Federal Circuit") seeking an order directing the district court to dismiss declaratory counterclaims of invalidity, unenforceability, and noninfringement of the '265 and '538 patents for lack of case or controversy supporting subject matter jurisdiction. Laitram further sought an order granting Laitram leave to file a counterclaim of infringement of the '794 patent. On March 21, 1995, the Federal Circuit properly granted Laitram's petition. (A9.)

The Federal Circuit found that "*it is clear* that the district court incorrectly found a case of actual controversy concerning the '265 and '538 patents and thus is exceeding its jurisdiction by entertaining those counterclaims." (A4-5.) (emphasis added). The district court "*clearly erred*" by failing to separately determine the existence of an actual controversy for each patent identified in Skrmetta's declaratory judgment counterclaims. (A6.) (emphasis added). Moreover, the Federal Circuit found that "[t]he district court *clearly abused its discretion* by refusing to permit Laitram to amend its complaint [to allege infringement of the '794 patent] and *clearly erred* when it decided that it would be 'indicative of undue delay' to grant Laitram an extension to amend its complaint. . ." (A7.) (emphasis added). The district court's 'undue delay' ruling was deemed irrelevant in light of the fact that Skrmetta's counterclaim for declaratory judgment of noninfringement, invalidity and unenforceability already placed the *identical*

infringement issue before the court. (*Id.*)

## SUMMARY OF THE ARGUMENT

The Federal Circuit has exclusive jurisdiction over patent appeals. 28 U.S.C. §1295(a)(1). In the present case, the Federal Circuit issued a writ of mandamus to prevent the district court from exercising jurisdiction over patent declaratory judgment claims unsupported by an actual controversy. The Federal Circuit sought to prevent the parties and the district court from wasting time and resources in the pursuit of an advisory opinion.

The subject matter of the present Petition is clearly specific to patent law such that there can be no conflicts between the Federal Circuit and any other circuit. Thus, the Federal Circuit's application of its mandamus authority in the present patent case cannot present a "conflict" with decisions rendered by other appellate courts. The only "conflict" presented in Skrmetta's Petition for Writ of Certiorari is the conflict between the actual appellate case law and Skrmetta's mischaracterization and misreading of the case law.

As to the jurisdictional issue, Skrmetta bases its "conflict" on an erroneous reading of *National Right to Work Legal Defense v. Richey*, 510 F.2d 1239 (D.C. Cir. 1975), *cert. denied*, 95 S.Ct. 2631 (1975). In *National Right to Work*, the D.C. Circuit held that mandamus was improper because the specific jurisdictional issue -- application of Section 102 of the Labor-Management Reporting and Disclosure Act -- had never before been addressed. The D.C. Circuit recognized that the lower

court was not "clearly without jurisdiction" as required on mandamus because no precedent for the application of Section 102 existed to guide the district court. Although the circumstances in *National Right to Work* did not present circumstances justifying the issuance of mandamus, the actual mandamus standard applied by the D.C. Circuit was consistent with the mandamus standard applied by the Federal Circuit in this matter.

Moreover, Skrmetta erroneously asserts that in the present case, the district court found an actual controversy based on its factual determinations that Skrmetta had a reasonable apprehension of an infringement suit on the '265 and '538 patents and that Laitram was aware of a particular product that might infringe those patents. Such is not the case. The district court mistakenly inferred that its factual determinations as to the '794 patent somehow created an actual controversy as to the '265 and '538 patents. Indeed, the district court's failure to make such factual findings separately for each patent is the very reason why the Federal Circuit ruled against Skrmetta.

Skrmetta's argument as to the Federal Circuit's ruling on Laitram's motion for leave to amend is without merit. Skrmetta argues that the "clear abuse of discretion" standard of review for mandamus applied by the Federal Circuit is somehow in conflict with the Fourth Circuit's standard of review. Skrmetta cites a Fourth Circuit case that states that mandamus lies only when the district court's abuse of discretion amounts to a "judicial usurpation of power." A cursory review of Supreme Court, Federal Circuit and Fourth Circuit law reveals that the "clear abuse of discretion" standard is used

interchangeably with the "judicial usurpation of power" standard. Thus, Skrmetta's argument is completely without merit.

The Federal Circuit's mandamus was proper and necessary. Under the district court's ruling, any party could litigate any patent at any time, holding patents at ransom. Absent the Federal Circuit's mandamus, review of subject matter jurisdiction would only be available after a full trial on the merits, regardless of the frivolity of the challenge to the patent.

## ARGUMENT

Skrmetta's Petition for Writ of Certiorari should be denied. By its Petition, Skrmetta seeks to strip the Federal Circuit of the mandamus authority granted to "all courts established by Act of Congress" pursuant to the All Writs Act. 28 U.S.C. §1651 (1948). According to this Court, mandamus is proper to correct "clear abuse of discretion or usurpation of judicial power by a district court." *LaBuy v. Howes Leather Co.*, 352 U.S. 249, 255, 77 S.Ct. 309, 313 (1957).

The present case demonstrates an appropriate use of mandamus by the Federal Circuit. Under the district court's ruling, the enforcement of a single patent by a patent owner was adequate to subject the patent owner's entire portfolio of patents on related technologies to declaratory judgment suits. The Federal Circuit invoked its mandamus authority to limit the district court's jurisdiction over patent declaratory judgment actions to actual cases or controversies, and not those based on non-

existing products and on the subjective fear of a declaratory judgment plaintiff. Applying standards set forth by this Court, the Federal Circuit found that Laitram's right to issuance of the writ is "clear and indisputable" in light of the district court's preparation to render an advisory opinion on the infringement, enforceability and validity of two patents. (A4.) In addition, the Federal Circuit found that the district court's failure to allow Laitram to obtain relief (via a counterclaim for infringement of a third patent) if it prevails on Skrmetta's declaratory judgment counterclaim for noninfringement of that third patent was a clear abuse of discretion. (A7.)

In a gross distortion of Supreme Court Rule 10.1(a), Skrmetta argues that the standard for mandamus applied by the Federal Circuit somehow conflicts with the standards applied by the D.C. Circuit and the Fourth Circuit "on the same subject matter." Since the Federal Circuit has exclusive jurisdiction over patent appeals, a patent-related conflict does not exist. 28 U.S.C. §1295(a)(1). Nevertheless, Skrmetta attempts to create a "conflict" between the circuits by relying on mischaracterizations or misreadings of both the Federal Circuit decision below and the purportedly conflicting decisions.

## I. No Conflict was Created by the Federal Circuit's Use of its Mandamus Authority to Prevent the District Court from Rendering an Advisory Opinion as to Two Patents

The Federal Circuit's invocation of its mandamus

authority in the present case was necessary to confine the district court to a lawful exercise of jurisdiction over declaratory judgment claims. The Federal Circuit found that Laitram's right to issuance of the writ was "clear and indisputable" in light of the district court's projected rendering of an advisory opinion on the infringement, enforceability and validity of two patents. Skrmetta argues that the Federal Circuit's decision conflicts with the stance purportedly taken by the Court of Appeals for the District of Columbia Circuit ("D.C. Circuit").

According to Skrmetta, in *National Right to Work*, the D.C. Circuit took the position that "it is not appropriate to invoke its mandamus authority to review a district court's jurisdictional finding where the challenged assertion of jurisdiction depends on the district court's factual determination, even if that ruling may be erroneous, at least where an opportunity for review on appeal after final judgment exists." (*See* Skrmetta's Petition, p. 9). Skrmetta argues that a conflict arises because "under like circumstances," the Federal Circuit found mandamus appropriate. (*Id.*)

### A. The Mandamus Standard Applied in the *National Right to Work* Case is Consistent with the Mandamus Standard Applied by the Federal Circuit

The mandamus standard of review applied by the D.C. Circuit is exactly the same standard applied by the Federal Circuit. The petitioner in *National Right to Work Legal Defense v. Richey* sought mandamus to review a district court's finding of jurisdiction to entertain an

affirmative suit by a union to enforce the provisions of Section 101(a)(4) of the Labor-Management Reporting and Disclosure Act of 1959 based on Section 102 of the same Act. 510 F.2d 1239 (D.C. Cir. 1975), *cert. denied*, 95 S.Ct. 2631 (1975).

The D.C. Circuit was persuaded that the "clear and indisputable" standard of mandamus could not be met because the jurisdictional issue under Section 102 was novel and without clear precedent. *Id.*, at 1242. The D.C. Circuit was quick to point out that "the instant case is the first to address this point, and the issue is not an easy one" such that "[e]ven if the district judge's finding of jurisdiction should ultimately be held to be erroneous, his determination that jurisdiction does exist is not the clear usurpation of judicial power traditionally required for the issuance of mandamus." *Id.*

Unlike *National Right to Work*, the present case is clearly not a case of first impression. To the contrary, the issue of subject matter jurisdiction over patent declaratory judgments is thoroughly established and based on clear precedent. This issue has arisen on numerous occasions in the Federal Circuit. *E.g., BP Chemicals Ltd. v. Union Carbide Corp.*, 4 F.3d 975 (Fed. Cir. 1993); *Arrowhead Indus. Water, Inc. v. Ecolochem, Inc.*, 846 F.2d 731 (Fed. Cir. 1988); *Jervis B. Webb Co. v. Southern Systems, Inc.*, 742 F.2d 1388 (Fed. Cir. 1984).

Similarly, *National Right to Work* cannot be fairly construed to stand for the proposition that mandamus is inappropriate "where the challenged assertion of jurisdiction depends on the district court's factual

determination, even if that ruling may be erroneous, at least where an opportunity for review on appeal after final judgment exists." (*See* Skrmetta's Petition, p. 9) The D.C. Circuit opinion is devoid of discussion about any "factual determination" made by the district court as the basis for the challenged jurisdiction. Contrary to Skrmetta's representation, mandamus was not denied because of any alleged deference to the district court's "factual determinations" but rather because the circumstances presented in the case simply could not meet the standard for mandamus.

### B. The District Court Failed to Make the Requisite Factual Findings to Support Jurisdiction

Skrmetta argues that the Federal Circuit created a conflict in the circuit courts by granting mandamus when the challenged jurisdiction depended on a district court's factual determination. However, Skrmetta's argument is based on the erroneous premise that the district court actually made factual findings supporting the existence of an actual controversy under the Declaratory Judgment Act. As the Federal Circuit pointed out, no factual findings were made supporting subject matter jurisdiction over Skrmetta's declaratory judgment counterclaims as to the '265 and '538 patents. (A5.)

It is undisputed that the determination of whether an actual controversy exists to support a patent declaratory judgment action requires findings of (1) an explicit threat or action by the patentee which creates a reasonable apprehension on the part of the declaratory judgment

plaintiff that it will face an infringement suit; and (2) present activity which could constitute infringement or concrete steps taken with the intent to conduct such activity. *BP Chemicals*, 4 F.3d at 978.[2] The district court found that reasonable apprehension existed as to the '794 patent and that Laitram was aware of a product by Skrmetta that was infringing the '794 patent. (A35.) However, the district court made no such findings as to the '265 and '538 patents. Instead, the district court was persuaded by the erroneous mischaracterizations of law urged by Skrmetta's trial counsel that a case or controversy existed as to the '265 and '538 patents because they were somehow "intertwined and related" to the '794 patent. (A36.)

The Federal Circuit held that the district court erred by failing to separately determine whether a case or controversy existed for each patent identified in the declaratory judgment claim. (A6.) The Federal Circuit stated that "the district court made no finding that Skrmetta produces or has taken concrete steps toward

---

[2] Skrmetta maintains that by citing *BP Chemicals*, the Federal Circuit applied the wrong standard of review to a writ of mandamus inquiry. Again, Petitioner grossly distorts the Federal Circuit's Order. The Federal Circuit used *BP Chemicals* as support for the established two-prong test for declaratory justiciability, not as support for the appropriate mandamus standard. (A5.) This two-prong test was used to show that by blatantly ignoring the requisite declaratory justiciability requirements, the District Court committed not just simple error, but "clear error" necessitating the extraordinary remedy of mandamus. (A7.)

producing any item that might constitute infringement of the '265 and '538 patents."[3] (A5.) Moreover, "the district court did not specifically determine that Skrmetta had a reasonable apprehension of suit stemming from the other two patents." (A3.) Thus, the Federal Circuit's decision was largely influenced by the district court's failure to make the relevant factual determinations necessary to support an actual controversy. (A6.) Jurisdiction was not, as Skrmetta argues, based on a factual determination made by the district court, but rather on an erroneous legal determination that the existence of an actual controversy as to the '794 patent is sufficient to support the existence of an actual controversy as to the '265 and '538 patents. (A6.)

## II. No Conflict Exists Between the Federal Circuit's "Clear Abuse of Discretion" Standard and the Fourth Circuit's "Usurpation of Judicial Power" Standard

Skrmetta also claims that a conflict exists between the Federal Circuit and the Fourth Circuit concerning the proper standard for reviewing a lower court's discretionary ruling through a writ of mandamus. (*See* Skrmetta's Petition, p. 12.) Skrmetta bases this misguided conclusion on its puzzling inability to differentiate between the "abuse of discretion" standard and the "*clear* abuse of

---

[3] Indeed, the district court could make no such finding because Skrmetta's trial counsel presented no evidence to the district court that Skrmetta produced or had taken concrete steps toward producing products that might infringe the '265 and '538 patents.

discretion/judicial usurpation of power" mandamus standard set forth by this Court.

In *In re Ralston Purina Co.*, 726 F.2d 1002 (4th Cir. 1984), the petitioner argued that the North Carolina district court abused its discretion by declining to sever the various plaintiffs' cases and to transfer the cases as severed to Georgia and Pennsylvania district courts. The Fourth Circuit denied Petitioner's request for a writ of mandamus, stating that "[a]buse of discretion, however, is not the standard to be employed in deciding whether or not to issue a writ of mandamus." *Id.*, at 1004. Adopting the mandamus standard set forth in this Court's *Allied Chemical* case, the Fourth Circuit stated that "before the writ should issue in a case in which the matter at hand is entrusted to the discretion of the district court, the district court's abuse of discretion must amount to a 'judicial usurpation of power'." *Id.*, at 1005 (quoting *Allied Chemical Corp. v. Daiflon, Inc.*, 449 U.S. 33, 35, 101 S.Ct. 188, 190 (1980)).

Similarly, the opinion of the Federal Circuit in the instant petition closely adheres to the heightened standard appropriate for this extraordinary remedy. In the Order granting the writ, the Federal Circuit unequivocally states that "[t]he district court *clearly abused* its discretion by refusing to permit Laitram to amend its complaint" to allege infringement of the '794 patent. (A7.) (emphasis added). The district court's "undue delay" ruling was deemed irrelevant because Skrmetta's declaratory judgments of noninfringement, invalidity and unenforceability already placed the identical infringement issue before the court.

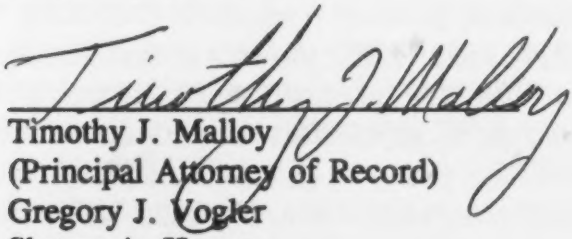
The Federal Circuit's "clear abuse of discretion" standard is exactly the same as the Fourth Circuit's "judicial usurpation of power" standard set forth in *Ralston Purina*. *Mallard v. U.S. Dist. Court for the Southern Dist. of Iowa*, 490 U.S. 296, 309, 109 S.Ct. 1814, 1822 (1989) (on writ of mandamus, Supreme Court requires that petitioners demonstrate a 'clear abuse of discretion' or conduct amounting to 'usurpation of [the judicial] power'" (citations omitted)). *See also In re Catawba Indian Tribe*, 973 F.2d 1133, 1136 n.2 (4th Cir. 1992) ("*Mallard* explicitly equates 'clear abuse of discretion' with the 'usurpation of the judicial power' standard"); *In re Regents of University of Cal.*, 964 F.2d 1128, 1135 (Fed. Cir. 1992) (Federal Circuit requires "clear abuse of discretion or usurpation of judicial authority" on mandamus). Therefore, no conflict exists between the circuits.

## CONCLUSION

By its Petition, Skrmetta improperly attempts to expand the scope of subject matter jurisdiction over patent cases beyond statutory and constitutional limitations to obtain an "unbridled license" to attack Laitram's portfolio of patents. The Federal Circuit properly invoked its mandamus authority to prevent a waste of resources and to protect the limits of its exclusive appellate jurisdiction. Skrmetta's Petition should be denied for failure to identify a single true conflict between the Federal Circuit's invocation of its mandamus authority and any other circuit court decision *on the same subject matter*. Skrmetta's imaginative reconstruction of the Federal Circuit opinion

combined with its misinterpretation of other appellate decisions falls far short of justifying a review by this Court.

Respectfully submitted,



Timothy J. Malloy
(Principal Attorney of Record)
Gregory J. Vogler
Sharon A. Hwang
MCANDREWS, HELD & MALLOY, LTD.
500 W. Madison Street, 34th Floor
Chicago, Illinois 60661
312/707-8889

Barry L. LaCour
THE LAITRAM CORPORATION
220 Laitram Lane
Harahan, Louisiana 70123
504/733-6000

*Attorneys for Respondent,*
LAITRAM MACHINERY, INC.

## CERTIFICATE OF SERVICE

It is hereby certified that three executed copies of the foregoing **LAITRAM'S OPPOSITION TO PETITION FOR WRIT OF CERTIORARI** have been served upon Petitioners by depositing true and correct copies thereof in the United States Mail, first class postage prepaid and properly addressed, on 21st day of July, 1995 addressed to:

Patrick H. Patrick
TRINCHARD & TRINCHARD
601 Poydras Street, Suite 2075
New Orleans, Louisiana 70130

Timothy J. Walley